GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2722
ANSWERED ON:13.03.2000
COUNTER GUARANTEE TO POWER PROJECTS
A. VENKATESH NAIK;ASHOK NAMDEORAO MOHOL

Will the Minister of POWER be pleased to state:

(a) whether the Government have extended the lapsed counter guarantee for certain power projects in the country;

(b) if so, the details thereof indicating the power projects;

(c) whether the promoters have failed to fulfill the conditions prescribed for the purpose;

(d) if so, the details thereof; and

(e) the steps being taken by the Government in this regard?

Answer

THE MINISTER OF POWER

(SHRI P.R. KUMARAMANGALAM)

(a) & (b) : Government of India have extended the Validity of the counter-guarantee by another six months beyond 14.2.2000 for the Visakhapatnam Thermal Power Project (1040MW) of M/s Hinduja National Power Company Limited (HNPCL) in Andhra Pradesh. Recommendations of the Government of Maharashtra are awaited on the request for extension of the validity of the counter guarantee by the counter guarantee by six months beyond January 31, 2000 received from M/s Central India Power Company(CIPCO),the promoters of the Bhadravati Thermal Power Project (1082 MW) in Maharashtra.

(c) to (e) : As per the counter guarantee of the Government of India extended to the above two projects respectively on August 1 and August 19, 1998, the promoters and the State Governments of Andhra Pradesh and Maharashtra are required to fulfil the various conditions as laid down in clause (9) (relating to `Conditions Precedent`) of the counter-guarantee. The promoters and State Governments are taking steps to fulfil the conditions stipulated in the counter guarantee whereafter the counter guarantee will come into effect.